



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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BILL HASLAM
GOVERNOR

JULIE MIX McPEAK
COMMISSIONER

MEMORANDUM

TO: Tennessee Property and Casualty Insurers

FROM: Julie Mix McPeak, Commissioner *Julie Mix McPeak*

RE: Tennessee Disasters

DATE: May 6, 2011

Tennessee has recently experienced devastating storms and is currently experiencing historic floods. These events have resulted in loss of life, destruction of property, and displacement of many Tennesseans. I am requesting that Tennessee licensed property and casualty insurers make every reasonable effort to assist policyholders who have experienced losses as a result of, or have otherwise been affected by the floods or storms of this April or May.

Specifically, I request that cancellations or non-renewals of policies for the non-payment of premium be suspended for a period of at least sixty (60) days from the date of the loss for those policyholders who have suffered property damage, injuries or loss of life as a result the catastrophic weather events. Property and casualty insurers should take reasonable steps to inform affected policyholders that this extension is available. However, the extension is not automatic. In order to take advantage of the extension, the policyholder must make a specific request to the insurer. I would further request that where a delay in premium payment appears to be the result of a disruption to the mail delivery system or of the policyholder's displacement due to the severe weather, the insurer work with the policyholder and take those circumstances into account before cancelling a policy. Any other efforts made by insurers to assist citizens affected by the severe weather, such as allowing for additional time to meet claims documentation or notice requirements and voluntarily entering into payment plans in order to continue insurance coverage, will be appreciated.

The sixty (60) day extension of time described in the paragraph above is not a waiver of a policyholder's obligation to pay premium. If granted, the extension shall not relieve a policyholder who has a storm claim from compliance with the terms of his or her policy. This request for an extension on behalf of Tennessee policyholders is not intended to address cancellations or non-renewals due to fraud or material misrepresentation or any other reason unrelated to hardships created by the severe weather.

Please let us know if we can assist you in any way. Your cooperation in this effort is greatly appreciated.